

KEEGAN WERLIN LLP

ATTORNEYS AT LAW
265 FRANKLIN STREET
BOSTON, MASSACHUSETTS 02110-3113

(617) 951-1400

TELECOPIERS:

(617) 951-1354

(617) 951-0586

May 13, 2005

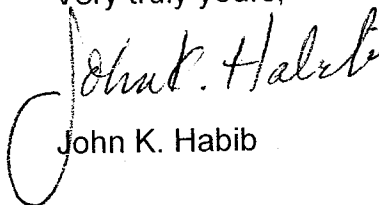
Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

RE: D.T.E. 04-116- Investigation by the Department of Telecommunications and Energy On Its Own Motion Regarding the Service Quality Guidelines Established in Service Quality Standards for Electric Distribution Companies and Local Gas Distribution Companies, D.T.E. 99-84 (2001)

Dear Secretary Cottrell:

Please find attached the responses of New England Gas Company (the "Company") to the Department of Telecommunications and Energy's First Set of Information Requests to the Gas Companies in the above-referenced proceeding. Please contact me or Kevin Penders at the Company if you have any questions regarding the responses.

Very truly yours,



John K. Habib

Enclosure

cc: Service List
Jody Stiefel
Kevin Penders
Peter Czekanski
Joseph Rogers

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**FIRST SET OF INFORMATION REQUESTS OF
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
GAS COMPANIES
D.T.E. 04-116**

RESPONSES OF NEW ENGLAND GAS COMPANY

Dated: May 13, 2005
Respondent: Karen Czaplewski
Fred Amaral

Information Request DTE-GAS 1-1

Please explain how your company calculates and measures each of the following service quality performance measures with regard to (i) variable definition and measurement; (ii) data-collection methods; (iii) data quality issues; and (iv) data analysis and interpretation. Illustrate where possible.

- a) Non Emergency Telephone Answering Factor
- b) Emergency Telephone Answering Factor
- c) Service Appointments kept
- d) Meter Reads
- e) Lost Time Accident Rate
- f) Response to Odor Calls
- g) Staffing Levels
- h) Consumer Division Cases
- i) Restricted Work Day Rate
- j) Unaccounted for Gas

Response

a) Non Emergency Telephone Answering Factor

The calls offered to the Company's Contact Center during normal business hours are counted and measured by the Company's automated CentreVu Call Management System ("CMS"). This system counts the number of calls as they enter into a queue and calculates how long each call waits to be answered. The system reports the number of calls that are answered within 20 seconds, and the total number of calls that are answered by a representative.

The system also counts the number of abandoned calls. The number of calls answered plus calls abandoned equals the number of calls offered. The statistics are tracked on a daily, weekly, monthly, and year-to-date basis. See example below for data analysis:

Report:

Calls answered - 90
Calls abandoned -10
Calls answered w/in 20 seconds – 80

Calculation:

Calls answered (90) + Calls abandoned (10) =
Calls offered (100)

Calls answered w/in 20 seconds (80) / the calls offered (100) =
Service level (80%)

CMS produces daily reports listing the number of calls answered, how many were answered within 20 seconds, and how many were abandoned.

b) Emergency Telephone Answering Factor

The Company's Basic Call Management System ("BCMS") measures emergency calls by reporting the total the number of Emergency calls connected, abandoned, and offered (calls "offered" equals the total number of calls connected plus calls abandoned). BCMS measures the average speed of answer for each one-hour interval. Unlike the CMS, which reports the number of calls answered within 20 seconds, BCMS reports the percent of calls answered within 20 seconds. The percent of calls answered within the service level is same calculation as for non-emergency calls (number of calls answered within 20 seconds divided by the number of calls offered).

An Interactive Voice Response ("IVR") system collects the customer's telephone number via the automatic number identifier ("ANI") provided by the Company's telecommunications service provider and then passes this information to the Company's phone system ("PBX"). PBX reads the ANI, and routes the emergency call to the proper dispatch office. Emergency calls are not handled by the Contact Center. The dispatch office then handles the Emergency calls.

The BCMS produces reports daily for the previous 24 hours for both Fall River Emergency Calls and North Attleboro Emergency Calls. These reports provide

the numbers as needed, no further interpretation is required. These numbers are then tracked on a daily, weekly, monthly, and year-to-date basis.

c) Service Appointments Kept

The Company's dispatchers and technicians are trained to focus on meeting customer appointments. To that end, the Company's dispatch system allows dispatchers to record the completion time of every job. Once the technician reports the completion of a job, the dispatcher records that completion electronically.

At the end of each week, the dispatch supervisor runs a report identifying every job not meeting the promised start time. For those appointments missed by more than 4 hours, dispatch notifies the Company's billing department that a reimbursement is owed the customer. These weekly reports yield the Company's annual data for its service quality reports.

d) Meter Reads

The Company's percentage of meters read is based on the number of meters in a cycle actually read compared to the number of meters in the cycle. Specifically, the Company's information and technology division creates a file on those meters to be read in each particular cycle, which it provides to the Company's meter reading division. Meter readers then access the file through handheld units to read the meter cycle and enter the readings as they gather them. That data is downloaded to the Company's system on a daily basis, and this information is then used to compile the percentage of read by factoring it against the total number of meters to be read in the cycle. These reports yield the Company's annual data for its service quality reports.

e) Lost Work Time Accident Rate

Both Lost Time Accident Rate and Restricted Work Day Rate are calculated using standard industry formulae that allow for "apples to apples" comparisons to survey statistics published by the U.S. Bureau of Labor Statistics.

The formulae for these and other related Occupational Injury and Illness rates are normalized using a standard 100 employees working 40 hours per week, 50 weeks per year—200,000 hours. The standard formula is as follows:

$$\boxed{\text{A}} \times 200,000 \div \boxed{\text{B}} = \boxed{\text{C}}$$

The sources for the formula's variable **A** are OSHA Form 300, "Log of Work-Related Injuries and Illnesses" and OSHA Form 300A, "Summary of Work-Related Injuries and Illnesses." These forms capture the annual number of injury and illness **cases** in 3 categories: (a) those resulting in deaths; (b) those resulting in days away from work; or (c) those resulting in job restrictions. The last two are the focus of this document. Form 300 captures the detail for each case; Form 300a is the summary data for all cases.

Variable **B** is a given company's annual total of all hours worked by all employees of the establishment. In the case of New England Gas Company's Massachusetts employees, who report to 3 physical locations, the "establishment" includes injury, illness, and hours-worked data collectively. "Hours worked" are derived from company payroll records.

The result of calculating the formula is represented by **C**, which becomes either the Lost Time Accident Rate or Restricted Work Day Rate, depending upon which category's data was used for variable **A**.

f) Response to Odor Calls

The Company's dispatchers and technicians are trained to respond to leaks as quickly as possible, and always within 1 hour. Upon arrival onsite to a reported leak, the technician calls the dispatcher and the dispatcher records the on-site time electronically. Additionally, the dispatcher keeps a manual log with the time the odor call is received, the time dispatched, the time on-site, and, if the response takes longer than one hour, a written explanation of why. On a weekly basis, the dispatch supervisor reviews any leaks that may have taken more than 1 hour to respond. These weekly reports yield the Company's annual data for its service quality reports.

g) Staffing Levels

The Company provides its staffing level information on an annual basis, taking into account the total number of employees as of December 31st of a particular calendar year. This number is derived in consultation with the Company's human resources and accounting divisions, and is then reported to the Department for each of the Company's service areas in Massachusetts.

h) Consumer Division Cases

As standard operating procedure, the Company has historically accepted the records (specifically, the Department's "Crosstab Report") of the Department's Consumer Division with regard to the number of complaints received and recorded as cases for service quality purposes. Internally, the Company's customer service representatives document all calls from consumers in our Customer Information System accompanied by any actions taken, questions from the customer, and our responses.

However, for the year ending December 31, 2004, the Company's records did not reconcile with those of the Consumer Division regarding the number of "Consumer Division Cases" logged against the Company by the Department pursuant to the Department's D.T.E. 99-84 Guidelines. The Guidelines require the following criteria to be met for a matter to be characterized as a Consumer Division Case:

- (1) the individual making the Complaint provides his or her identity to the Consumer Division and is either a (a) current, prospective, or former customer of the Company against which the Complaint has been lodged..., or (b) designee of the current, prospective, or former customer of the Company;
- (2) the individual or his/her designee has contacted the Company from which the customer receives distribution service prior to lodging a Complaint with the Department;
- (3) the Department's investigator cannot resolve the Complaint without contacting the Company to obtain more information;
- (4) the matter involves an issue or issues which the Department typically exercises jurisdiction; and

- (5) the matter involves and issue or issues over which the Company has control.

D.T.E. 99-84 Guidelines at §III.A.

Specifically, in reviewing matters identified by the Consumer Division as a "Consumer Division Case," the Company found that it, in some instances, the Company had no initial contact with the customer and that, oftentimes, the matter referenced by the Consumer Division in its report to the Company consisted only of the Company receiving a call from a Consumer Division employee in regard to a question or issue from a customer. Moreover, in several of the "Consumer Division Cases" attributed against the Company, the Company has no record of ever being contacted by the customer. However, the Company's answers to the Consumer Division's questions appear as a "Consumer Division Case" on the month-end file provided to the Company by the Department. This practice does not align with the criteria in the Department's Guidelines regarding Consumer Division Cases, which require, in part, that an individual making a complaint with the Department first contact the individual's distribution company prior to lodging a complaint with the Department. Guidelines at §III.A(2). In order to alleviate this issue in the future, the Company will endeavor to ensure that its representatives communicate on a regular basis with the Department in order to resolve any future discrepancies between the Company's records and those of the Consumer Division.

Additionally, on April 7, 2005, the Company conducted a test of the process followed by the Company's customers to file a complaint with the Department. Representatives of the Company dialed the Department's contact numbers that are required by the Department to be placed on the Company's bills. When attempting to reach 800-392-6066, the Company's representatives received a busy signal for an entire day. The Company representatives then dialed the 617-305-3531 number. The announcement asked if the customer had spoken to the utility company with regard to the issue, and if not, to speak the Company's name and the customer would be transferred. When requesting the New England Gas Company, the prompter did not recognize the Company and failed to make the transfer. Since January 2002, all billing, filings, and customer communications have indicated to the Company's customers that the Company's business name is the New England Gas Company. Failing to make the transfer, the Company representative attempted to be transferred under the name Fall River Gas, and succeeded in doing so. The Consumer Division was notified of this problem on April 7, 2005, and it was corrected shortly thereafter.

Lastly, in some "Cases" attributed against the Company, the issues involved in the "Case" were discussed between the Company and the Consumer Division and the Consumer Division staff agreed with the Company's position. By including such matters as "Cases," the Company risks being subject to potential penalties merely for disagreeing with the customer, regardless of whether the Company's position is determined to be correct.

Accordingly, the Company believes that data quality issues have arisen with regard to the Department's Consumer Division Case data for the year 2004, which, if unaddressed, may adversely and unfairly affect the Company's service quality performance for the year 2004 with regard to this measure.

i) Restricted Work Date Rate

Please refer to the Company's response to e) above.

j) Unaccounted for Gas

In accordance with the Company's Terms and Conditions for Distribution Service, the Company calculates its company gas allowance as the difference between the sum of all amounts of Gas received into the Company's distribution system and the sum of all amounts of Gas delivered from the Company's distribution system as calculated by the Company for the most recent twelve (12) month period ending July 31 (the end of the Company's fiscal year). Such difference includes, but is not be limited to, gas consumed by the Company for its own purposes, line losses and gas vented and lost as a result of an event of *force majeure*, excluding gas otherwise accounted for.

For the Company's annual service quality filing, the Company conducts the same calculations, except that the Company applies the calendar year being reviewed as the 12-month period, instead of a fiscal year. The detailed calculations to derive these numbers can also be found at pages 72 and 73 of the Company's annual FERC Form 2 filings for both the Fall River Gas Company and the North Attleboro Gas Company. These reports were filed with the Department on March 31, 2005.

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**FIRST SET OF INFORMATION REQUESTS OF
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
GAS COMPANIES
D.T.E. 04-116**

RESPONSES OF NEW ENGLAND GAS COMPANY

Dated: May 13, 2005
Respondent: Karen Czaplewski

Information Request DTE-GAS 1-2

Please discuss any problems that your company has had in the calculation and measurement of the service quality performance measures and how the company dealt with them.

Response

For the vast majority of the service quality performance measures required by the Department to be tracked, the Company has not experienced problems in calculating or measuring service quality performance. Please refer to the Company's response to information request DTE-GAS 1-1 for a discussion of issues that have arisen regarding data used by the Company to calculate its Consumer Division Cases benchmark and annual Consumer Division Cases performance. The Company is committed to improving its communication with the Consumer Division staff by doing so after each month's results are available in order to identify and resolve any discrepancies between the Department's data and the Company's records.

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

**FIRST SET OF INFORMATION REQUESTS OF
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
GAS COMPANIES
D.T.E. 04-116**

RESPONSES OF NEW ENGLAND GAS COMPANY

Dated: May 13, 2005
Respondent: Peter Czekanski

Information Request DTE-GAS 1-3

Please discuss the advantages and disadvantages of standardizing the calculation and measurement of the service quality performance measures. In addition, discuss any problems that your company specifically would have if the Department were to standardize the calculation and measurement of the service quality performance measures.

Response

Please refer to the Company's response to information request DTE-A 1-2.

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

FIRST SET OF INFORMATION REQUESTS OF
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO
GAS COMPANIES
D.T.E. 04-116

RESPONSES OF NEW ENGLAND GAS COMPANY

Dated: May 13, 2005
Respondent: Peter Czekanski

Information Request DTE-GAS 1-4

Please propose a method for standardizing the calculation and measurement of each performance measure listed in DTE-GAS 1-1 with regard to: (i) variable definition and measurement; (ii) data-collection methods; (iii) data quality issues; and (iv) data analysis and interpretation.

Response

Please refer to the Company's response to information request DTE-A 1-2.